

**Empowering  
SSCs – Employer  
driven skills reform  
across the UK**

**A Relicensing  
Framework for  
Sector Skills  
Councils**



# Empowering SSCs - Employer driven skills reform across the UK.

Contents

Foreword

|   |         |
|---|---------|
| 1. Introduction                                       | Page 6  |
| 2. The SSC Core remit                                 | Page 7  |
| 3. The Relicensing Strategy - The Relicensing Process | Page 13 |
| 4. The Assessment Framework                           | Page 24 |
| 5. The Scoring Framework                              | Page 25 |
| Annexes   |         |
| 1. Government and national context                    | Page 31 |
| 2. Expression of Interest Template                    | Page 39 |
| 3. Relicensing timetable                              | Page 41 |

## Foreword

The UK Commission for Employment and Skills (UK Commission) aims to raise UK prosperity and opportunity by improving employment and skills. Our ambition is that the UK will become a world-class leader in productivity, in employment, in securing a fair and inclusive society. Our aim is to secure a world class profile on skills and an 80% employment rate by 2020.

We know that 75% of the 2020 workforce is already employed. We know that five million people in the UK have problems with literacy and a startling seven million are not fully numerate. Without real change we risk up to six million people being left behind by 2020 as we strive to compete in an increasingly globalised world. The social and economic consequences of failing to address these basic skills issues are not difficult to see. We need to act now rather than take the risk that this analysis might be wrong.

The UK Commission and Sector Skills Councils (SSCs) are designed to put employers centre stage in developing employment and skills policy. The UK Commission will be putting direct and independent advice to Ministers with a specific focus on how we can simplify the skills environment and make it clearer for users. We will act as the conscience of Government and employers in relation to their obligation to ensure people have the skills they need to work and be productive in the future.

## Foreword

The SSCs are critical to achieving these objectives. They are the key link between employers in each part of the economy and the education and training system. Through their research on employers' needs, they provide vital intelligence to help ensure that learning provision and qualifications meet the evolving needs of business and of a dynamic labour market. They have a key role in encouraging employers to take an active part in driving up the skills of their workforce.

The relicensing of SSCs is one of the top priorities for the UK Commission in our first year of operation. We will set high standards for all SSCs and will expect continuous improvement in their performance year on year. The relicensing process will be transparent and fair building on and recognising good practice developed over the last five years.

One of the key outcomes of relicensing will be to ensure that SSCs will be more sharply focused on raising employer ambition and investment in skills at all levels, articulating future skills needs of their sector and ensuring that the supply of skills and qualifications is driven by employers. This will require strong employer leadership, dialogue and confidence in the SSCs.

The UK Government, the Northern Ireland Assembly, the Scottish Government and the Welsh Assembly Government are clear that an employer led and sector based skills system is the right way forward for improving investment in skills and shaping the skills system.

This Prospectus sets out in more detail the key tests for relicensing and the process we will adopt to ensure we have a strong network of SSCs ready and able to face the skills challenges of the future.

Sir Mike Rake, Chair, UK Commission

A handwritten signature in black ink, appearing to read 'Mike Rake', written in a cursive style.

## 1. Introduction

### 1.1 This Prospectus is designed to:

- provide detailed guidance to SSCs on the process, timetable and criteria which will underpin the relicensing process;
- set out a revised remit for SSCs based on three key roles. These are designed to clarify the responsibilities of SSCs as part of the skills systems across the UK;
- describe how each SSC will be asked to put forward an initial Expression of Interest by August 2008 which will form the basis of a planning discussion with the UK Commission about when and on what terms the SSC wishes to make its formal relicensing proposition;
- set out the framework of criteria against which each SSC will be asked to submit evidence to support its case for relicensing;
- describe the assessment process itself, which will be conducted by independent third party teams working on behalf of the UK Commission.

## 1. Introduction

- 1.2 The relicensing programme focuses on individual SSC performance. To achieve relicensed status each SSC must demonstrate the confidence, support and influence of employers within their sector – private, public and third sector – in each of the four nations. There is no intention of embarking on a wholesale re-structuring of the network although the UK Commission will welcome realistic proposals for greater collaboration or merger where employers feel this would enhance the influence and effectiveness of their SSC. Where structure is a barrier to performance the UK Commission will consider options in dialogue with the SSC and employer interests. New licences will only be granted by Government to those SSCs who can realistically meet the challenge and are able to prove this through their track record and the level of ambition they are prepared to accept in adopting stretching but realistic objectives for the future. The assessment and relicensing process will formally open in July 2008 with the launch of this Prospectus and will be completed for the whole network by December 2009.
- 1.3 The wider policy context for SSCs, including national priorities, is set out at Annex 1.

## 2. The SSC Core Remit

- 2.1 This Prospectus takes as its starting point a new, clearer three part remit for SSCs, focused on their lead role in:
- **raising employer engagement, demand and investment in skills;**
  - **ensuring authoritative labour market information for their sectors;**
  - **developing national occupational standards and ensuring qualifications meet employer needs.**
- 2.2 Each of these core functions is set out in more detail below. They describe the **minimum** expectations that Governments have of the role that each SSC will be expected to play, to a high standard, in each part of the UK. Variations in terms of the policy context in which the SSC core remit will be delivered in the four nations are identified at Annex 1. SSCs may, of course, undertake work that extends beyond this three part remit. This is encouraged provided that the core remit is discharged as a priority and that any additional activity does not compromise SSCs' core role.
- **CORE FUNCTION 1: Raising employer engagement, demand and investment in skills**
- 2.3 Fundamental to the role of an SSC is its ability to act as the voice of employers in expressing a clear and coherent view of sector skills needs and in influencing the development of a demand led system that provides the skills and qualifications needed by

## 2. The SSC Core remit

each sector of the economy. Critically, SSCs must also be instrumental in encouraging greater investment in skills and skills development and supporting employers in utilising the skills already in the workforce to the full. The most important single test of any SSC will be their ability to demonstrate the confidence and support of employers from each part of the sector, including large and smaller organisations and from across each part of the UK. Each SSC's relicensing proposition must ensure that it includes evidence to demonstrate this employer confidence and support in relation to each of the four main themes in the Assessment Framework as follows:

### • **A Well Run SSC**

SSCs must demonstrate that **employers have a full opportunity to direct the work of the SSC through its governance arrangements**, supported by appropriate wider industry representation including that of Trade Unions. Employers will need to be confident in the leadership and management of the SSC, that proper strategic and business plans are in place, that financial management is sound, that customer and stakeholder satisfaction is high and that the SSC has the resources, capability and partnerships to deliver its remit.

## 2. The SSC Core remit

### • **SSC Core Products and Services**

The SSC will need to be able to demonstrate that it is gathering high quality labour market intelligence rooted in employer need which in turn drives the production of relevant and up to date standards and supports the development of fit for purpose qualifications. This will inform the sector qualification strategy which will in turn clarify the qualifications offer for its sector, and provide a clear and streamlined qualifications infrastructure for the benefit of individuals and employers. (The detailed remit in relation to the SSC lead on these issues is set out in the later sections Core Remit functions 2 and 3.)

### • **SSC Sector Specific Solutions**

It will be critical that the SSC produces skills solutions that are specific to the needs of the sector across the UK, and where appropriate, the sector in a specific nation or region, which tackle the priority and strategic skills needs that have emerged from the SSC's underpinning research, standards and qualifications work. These skills solutions need to be fully backed by leading employers. Together, they need to be seen as the “Compelling Offer” that is at the heart of the sector’s drive to enhance employer take up and investment in skills. Each SSC also needs to have a clear strategy for engaging learners in its work.

SSCs need to consider the role of skills at all levels and progression routes. The most common issues emerging from Sector Skills Agreements have been in the following categories:

- Improving the image and understanding of the sector amongst young people including to support vocational education and careers work;
- Basic skills and employability issues/welfare to work;
- Initial entry to employment and apprenticeship programmes at levels 1, 2 and 3;
- Enhancing intermediate (L2 and L3) skills in the workplace;
- Building generic skills such as customer service;
- Higher level skills;
- Management and Leadership.

For each SSC a different set of skills priorities will apply. For some, the focus will be heavily on basic skills, while for others employability is increasingly dependant on graduate level skills and the interpersonal and generic skills that allow people to become quickly effective in the workplace. In each case, the SSC will need to convince employers that it has the right priorities and that it understands the pressures that exist to address urgent skills needs as a matter of priority. All should then be turned into a set of services that can be effectively delivered across the sector.

## 2. The SSC Core remit

### • **SSC Results and Impacts**

SSCs are not primarily delivery organisations nor can they be expected to reach every employer within their sector. **However, they will need to be clear which businesses they can reach through a targeted approach which reflects the full make up of the sector.** They will not on their own be able to deliver the scale of intervention needed to ensure that their priority skills solutions are delivered at a scale and with the quality necessary to have an impact on the skills base of their sector. But employers will need confidence that these solutions do reach a large market and get widely taken up. **Employers will also want to be convinced that the SSC has effective partnership arrangements in place to maximise the scale of public and private intervention in these skills solutions and that the SSC is able to track both the volume and quality of delivery.** The development of skills academy models, compact type arrangements, collective measures such as licences to practice or levies and agreements which link spatial and sectoral issues to support the economic development priorities of the nations and regions are all examples of building powerful partnerships for delivery.

### – **CORE FUNCTION 2: Ensuring authoritative labour market information for their sectors**

2.4 The UK Commission will set the framework within which SSCs carry out their sectoral work on LMI, and will ensure that there is no unnecessary duplication or overlap of LMI collection and analysis by SSCs. SSCs will have the primary role in the collection, analysis and effective communication of up-to-date labour market information and intelligence on their individual sectors. SSCs must demonstrate an extensive understanding of the current and future skill needs across the UK of their sector's employers. SSCs' work needs to be founded on an information base that is rigorous, authoritative, strategic and forward looking.

2.5 To enable consistency and comparability across sectors and nations, SSCs must use the common LMI framework developed by the SSDA for collecting and analysing LMI. The UK Commission is reviewing this framework and will provide SSCs with a revised version once the review has been completed. Using the framework successfully will give SSCs authority within their sectors as the employer voice on skills, and credibility with Governments and key stakeholders. The key elements of the common LMI framework are summarised below:

## 2. The SSC Core remit

- **Sector Analysis and Skills Priorities**  
SSCs must base intelligence on high quality, robust research evidence.
- SSCs must use **robust national datasets** and survey evidence and produce comparable, consistent LMI which can be benchmarked. Sector data should be compared against the UK average, with comparisons also made between the four UK nations and also between regions, as well as internationally where available. Analysis must cover the whole of the SSC footprint and, where appropriate, data should be disaggregated by sub-sector. SSCs should contextualise and supplement this data with additional sector analysis.
- SSCs should make use of the full range of secondary evidence sources (both qualitative and quantitative) in order to ensure that existing knowledge is properly used.
- SSCs should also undertake their own original primary research to address any research gaps.

SSCs will need to produce thorough and rigorous **skills needs** assessments based on their research, which are regularly updated. These assessments must be of a high quality and have credibility amongst sector employers and key partners across the UK, and be able to stand up to external scrutiny and critique.

SSCs must distil the current and future **skills priorities** in their sectors from the research evidence. Priorities must be tailored effectively so they are appropriate to the specific needs of employers and the context of the four nations and regions. The need to respond quickly to skills pressures within a sector is critical therefore short, medium and longer term priorities should be identified. The skills priorities must reflect the views of employers, but at the same time there should also be a focus on raising employer ambition and investment in skills. The skills priorities should underpin key products and services of the SSC including any sector specific solutions.

### • **Research Strategies**

SSCs must have developed research strategies that fit closely with their overall business plans and take into account Governments' aims and priorities. Activity must focus on addressing research gaps and minimising duplication, so SSCs will need to work closely together and with other partners in this respect. SSCs must regularly update, review and improve their research activities. As well as being informed by the SSC business plan, research should also feed back into and shape an SSC's overall business strategy. An important aspect of this will involve SSCs undertaking evaluative research on key sector initiatives in order to determine their impact and added value.

### • **Communicating Research Findings**

It is vital that SSCs make their research outputs accessible and attractive to a range of users, by publishing their outputs on a regular basis, making them easily available, and appropriately tailoring materials. Research outputs should be disseminated in the four nations as a minimum. SSCs should use innovative ways of communicating research beyond conventional published reports. SSCs should identify those bodies/individuals they need to influence most, and make efforts to ensure research is communicated effectively to them. They should also use research as a key tool to engage employers in the skills agenda.

### – **CORE FUNCTION 3: developing national occupational standards and ensuring qualifications meet employer needs**

2.6 The SSC core remit includes the responsibility to ensure that all national occupational standards, qualifications and apprenticeships are:

- informed by current and future skills needs as articulated by employers in their sectors;
- based on rigorous, high quality LMI that is regularly refreshed;
- Informed by public policy relating to education and qualifications of the home nation for which it is being developed (see Annex 1).

### • **National Occupational Standards (NOS)**

SSCs will continue to take the lead role in developing, maintaining and updating National Occupational Standards in the context of each nation's priorities. NOS underpin Vocational Qualifications (VQs) and can be used for a variety of purposes within the workplace, including job descriptions and staff appraisals. SSCs are responsible for ensuring that NOS are up to date, reflect best practice and are of a high quality. They must be available in all the industry sectors they cover according to demand and additionally for ensuring that there are collaborative systems in place to meet employer needs for generic NOS.

## 2. The SSC Core remit

- **Qualification and framework reform**

SSCs will ensure through the development of a sector qualification strategy the right type, quality and volume of economically valuable qualifications exist at all levels in the system. This should be driven by evidenced employer demand including generic as well as sector specific skills needs.

SSCs are responsible for supporting the design, delivery and implementation of the qualifications defined in a sector qualification strategy. SSCs should work with awarding bodies to develop an action plan for the process of awarding bodies' development of VQs. The SSC approval process for vocational qualifications in England, Northern Ireland and Wales is under development and Annex 1 describes the current and future role for SSCs in approving qualifications.

- **Apprenticeship Frameworks**

SSCs must ensure that all frameworks for their sectors are coherent, of a high quality, up to date in line with changes in the sector and the four nation's policy context and are based on robust evidence on what is required for the sector. They should ensure competence in each occupation covered by their sector. SSCs must also work together and with other bodies to ensure that there is coverage and consistency of apprenticeship provision across all sectors including frameworks designed to secure competence in generic skills. Policy on the SSC approval process for each nation varies and is described in full at Annex 1.

- **14 - 19**

The role of SSCs in the 14 – 19 agenda varies across each of the four nations and Annex 1 provides more information.

## 3. Relicensing Strategy

- 3.1 The following principles underpin the approach to relicensing set out in this Prospectus:
- Relicensing is a rigorous process that tackles any remaining underperformance in the SSC network but which also provides the basis for lighter touch performance management by the UK Commission and encourages continuous improvement. There is no hidden agenda to reduce the number of SSCs. Each SSC will be relicensed if it is able to demonstrate that it meets the tough standards set out in this Prospectus in each of the four nations. Following initial relicensing of SSCs by December 2009, the UK Commission will manage a rolling performance improvement process to continue to drive up standards and performance.
  - Relicensing is designed to enhance employer confidence across every sector and that the SSC is worth supporting and is able to make a difference. If any SSC is unable to command powerful support from its industry, it should not be licensed.

## 3. Relicensing Strategy

- Quality of performance is at the forefront of this process. Each SSC will need to demonstrate that it has the track record and the ability to deliver its core remit in each part of the UK and the drive and ambition to offer ambitious delivery outcomes which will drive enhanced employer investment and support the economic development strategies and priorities of the nations and regions of the UK.
- SSCs have been able to achieve coverage of around 90% of the workforce across the UK economy. This is a very significant achievement compared with other international sector networks. This coverage has provided the platform for SSCs to lead major education and skills initiatives in some parts of the UK and has opened the door for them to play a much stronger role in shaping qualifications reform. The relicensing process will not penalise SSCs that have recently enhanced, but have not yet fully integrated, new elements into their footprint. Where any SSC fails to achieve a new licence, employers in that sector will be supported by the UK Commission to establish a new SSC or to make alternative arrangements.

### 3. Relicensing Strategy

- Structural change such as closer integration or merger between SSCs will not be pursued as a specific objective of relicensing. The UK Commission may however, recommend that structural change is necessary where it identifies that, for a particular SSC, structure has affected performance. The UK Commission will also have an interest in value for money from the Governments' investment in SSCs. SSC closer collaboration will be welcomed where SSCs have specific skills agendas in common.
- Relicensing proposals from SSCs will need to demonstrate a close linkage to the economic development and skills and qualifications policies of the UK Government and the devolved administrations and the institutional arrangements in the four nations within the UK.
- We expect each SSC to put forward demanding and ambitious delivery and employer skills investment proposals to support relicensing. These, when drawn together for the network as a whole, will need to demonstrate the powerful shared contribution SSCs will make alongside other parts of the skills system in meeting the size of the skills challenge faced by the UK. In turn, the Governments and the UK Commission will wish to fully acknowledge the importance of SSCs in

leading the drive towards a demand led skills system, will encourage and support regular dialogue on skills issues and will seek to support SSCs in establishing effective partnership arrangements with other key agencies to help employers to have confidence that the skills they need are the skills they will get.

#### **Funding and contracting**

- 3.2 In terms of relicensing, the UK Commission will be looking for each SSC which is relicensed to be able to deliver fully on the core remit as described in this Prospectus but to also demonstrate added value for sector employers.
- 3.3 For the three years of the current spending review settlement (2008 – 2011), Governments have provided recurrent strategic funding of some £50m in year 1, rising to some £52m in years 2 and 3. (This now includes funding for NOS)

### 3. Relicensing Strategy

- 3.4 The methodology for allocating strategic funding to relicensed SSCs will be developed in partnership between the UK Commission and the Alliance of Sector Skills Councils (the Alliance) over the Summer of 2008. The work will include a review of the key drivers of cost and incentives for promoting ambition and rewarding good performance so that we can agree clear output related contracts with each SSC following successful relicensing. In developing this work we will assume the overall amount of core funding to the SSC network will not change going forward and that the size of the network will also not change significantly.
- 3.5 As the outcome of this review will not be known for some time, each SSC should, within their Expression of Interest, assume that they will continue to receive their current level of funding.

#### **Performance Management and the SSC Standard**

- 3.6 The UK Commission will work with the Alliance to agree appropriate performance management arrangements to operate post relicensing. These arrangements will be designed to encourage continuous development and will include a revised SSC self assessment Standard which fully reflects the new relicensing framework. Further information will be issued by the UK Commission in due course.

#### **Building a powerful network**

- 3.7 Each SSC needs to demonstrate in its relicensing proposition how it has worked beyond its own boundaries to help build a strong SSC network, and how it intends to support the delivery of the strategic aims of the Alliance. This means supporting the role of the Alliance in:
- building an influential dialogue with Governments and key stakeholders across the UK to strengthen the voice of employers in shaping a demand led skills system;
  - building arrangements to more effectively manage the interface between sectoral and spatial issues across the UK, including ensuring that SSCs contribute actively in supporting the economic development priorities of the regions and nations;
  - developing arrangements to actively support the continuing development of each SSC and the network, and take joint action to improve the efficiency and effectiveness of individual SSCs and the network as a whole which complements an appropriate SSC performance review cycle by the UK Commission following relicensing;

### 3. Relicensing Strategy

- ensuring there is effective collaboration on the development of cross sector occupational standards, qualifications (including diplomas in England) and apprenticeship frameworks, to include the scope for co-regulation with the UK Commission in relation to standards and qualifications development for these skills areas; and to establish and manage quality assurance frameworks which will ensure that partners deliver the employer led agenda.

3.8 The Commission will lead on ensuring that cross sector skills needs are identified and addressed. SSCs must work with the Commission to ensure consistency of approach, avoid any overlap and duplication between individual SSCs, and align with arrangements the Commission develops with the range of bodies outside the group of 25 SSCs that set standards for occupational and professional competence, in areas like management and leadership.

#### **Conflicts of Interest**

3.9 Before being recommended for relicensing, it will be necessary for an SSC to demonstrate a clear and firm commitment to eliminating or managing any potential conflicts of interest in a manner that reflects the high levels of public probity that all partners and stakeholders have the right to expect and which commands their confidence.

- 3.10 This public commitment must recognise their responsibilities under public law. SSCs should publish the policy, processes and procedures that they use in reaching decisions on such matters as:
- Offering, recommending, or supporting training provision;
  - Relationships with training providers and/or awarding bodies;
  - Vocational qualification approval, where relevant. In such cases, where an SSC has an awarding body subsidiary, or derives financial benefit from an awarding body, the SSC must establish an independent panel of employers, with independent observers, which has no role in the governance of the SSC, to take on the task of vocational qualification approval;
  - Putting in place clear and effective arrangements for appealing against decisions reached by an SSC in carrying out its functions in relation to vocational qualifications.

3.11 It is for each SSC to devise its policy, taking into account protocols and guidance available from the regulators and stakeholders such as the Federation of Awarding Bodies. SSCs must comply with the requirements of any relevant regulatory authorities.

## 3. Relicensing Process

- 3.12 Government will look to the UK Commission to work with the Alliance, and other interested parties as appropriate, to identify ways in which SSCs acting collectively together can also contribute to the elimination or management of potential conflicts of interest.
- 3.13 The UK Government and the devolved administrations have asked the UK Commission to undertake the process to relicence SSCs against tough new criteria, to act swiftly in completing the relicensing process by the end of 2009 and to ensure consistency and fairness in the application of the relicensing process.
- 3.14 Figure 1 on page 19 shows the full relicensing process and the following section outlines the stages and the requirements of SSCs at each stage.
- 3.15 This does not need to be a long drawn out process for each SSC. We will balance the need for rigour in the assessment and the need to minimise the burden of the process. If an SSC is performing at a high level and submits a compelling relicensing proposition, it should receive its new licence within 6 months of submitting a portfolio of evidence. SSCs who are unable to convince the UK Commission that they fully meet the relicensing standard will be invited to re consider aspects of their submission and discuss their proposals with the UK Commission and the allocated Lead Assessor (see section 3.21).

## 3. Relicensing Process

#### Stage 1 – The Expression of Interest

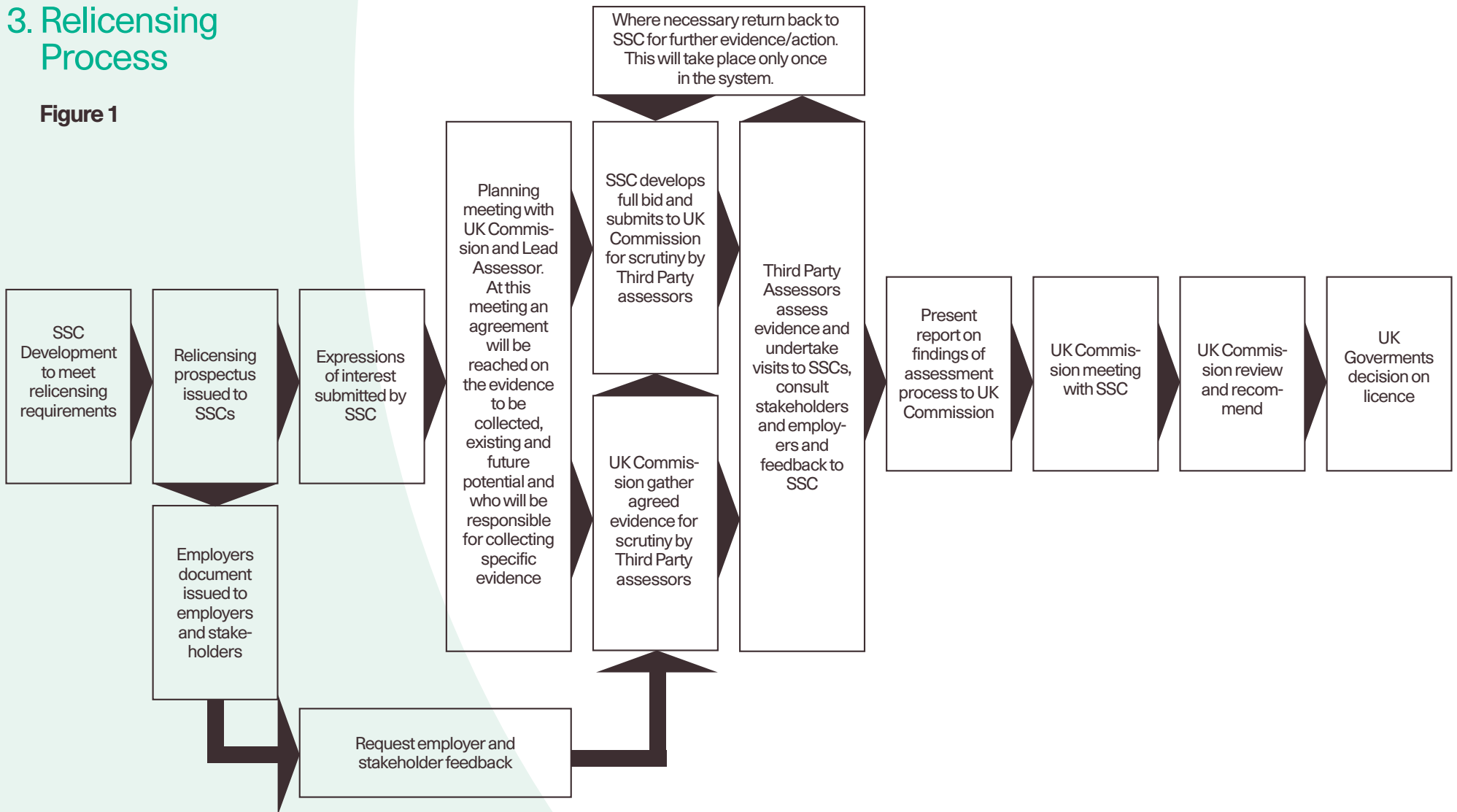
- 3.16 The Expression of Interest is designed to provide the UK Commission with a snapshot of the SSC network and to aid planning and scheduling of the process. It will provide an opportunity for the SSC to **succinctly** define its case for relicensing.
- 3.17 Preparation of the Expression of Interest should not be an onerous and time consuming exercise. Nor should it result in a lengthy and highly detailed document. We expect an Expression of Interest to have no more than 4 x A4 sides plus a covering letter from the SSC Chair to the Chair of the UK Commission.
- 3.18 The Expression of Interest should cover the following issues:
- the main achievements of the SSC since original licensing;
  - the work the SSC plans to do in readiness for relicensing;
  - the definition of the sector including SIC codes covered solely by the SSC and those with a shared interest with other SSCs;

- a short description of key sector drivers and priorities;
- any recent or planned changes in footprint or organisational structure;
- when the SSC wishes to submit its full portfolio of evidence and be assessed;
- current Board composition and planned changes;
- a **brief** statement showing how they discharge the high level commitment of the SSC to meeting the distinct needs of the four nations.

**3.19 It will be particularly important for SSCs who are submitting Expressions of Interest which include significant footprint/structural changes to have the agreement of all parties and most importantly have the backing of employers within the sectors affected.**

### 3. Relicensing Process

Figure 1



### 3. Relicensing Process

3.20 A template is included at Annex 2 which we would ask you to use in submitting your Expression of Interest, so that we can bring together details of all SSCs in a common format.

#### **Stage 2 – Planning meeting between the SSC, UK Commission and the lead third party assessor**

3.21 Following the submission of an Expression of Interest, the SSC will be invited to attend a planning meeting with the UK Commission and a nominated lead third party assessor. The UK Commission will use the meeting to confirm the content of the Expression of Interest and the readiness of the SSC to move to the next stage and put forward a full and robust relicensing proposition. The meeting will also be to agree:

- The requirements for the submission of a full proposal. This will involve ensuring that the SSC has a clear understanding of the Core Remit as defined at section 2 and the Assessment Framework as defined at section 4 and is therefore able to submit a full proposal.
- The supporting evidence required. This will involve agreeing the key pieces of evidence of all types to be collated and who will be responsible for the collection of specific pieces of evidence. The responsibility for the collection of evidence is likely to involve both the UK Commission and the SSC.

- The third party assessment process for the scrutiny of the full proposal and the supporting evidence.
- The plans for third party assessor visits to the SSC including who should be available to speak to the assessors. This is likely to include the SSC Chair, selected Board members, senior management and members of staff. A member of the UK Commission may also want a separate meeting of the Board at the site visit.
- The plans for consulting with other selected employers and key stakeholders.
- Key dates and milestones for the full process.

#### **Stage 3 – Development and submission of the full proposal by the SSC**

3.22 This stage involves the preparation of a full proposal by the SSC. Once again, the UK Commission will not expect that the full proposal will be a lengthy document but one that clearly and succinctly sets out how the SSC will deliver high performance in the future.

3.23 It must define how the SSC will deliver on the Core Remit as defined at section 2 and should state how the SSCs will meet the Assessment Criteria defined at section 4.

### 3. Relicensing Process

- 3.24 In addition the full relicensing proposition will need to include assumptions about SSC income. Funding estimates presented in the proposition should be categorised and presented in the following way:
- Total estimated strategic core funding
  - Total estimated UK Commission project funding (on a full overhead cost recovery basis)
  - Total estimated funding from other sources
- 3.25 We expect that SSCs will wish to use their organisational Business Plan and/or Strategic Plan as a means of succinctly and effectively presenting the case for relicensing and as their key source of evidence. In doing this SSCs will however need to clearly cross reference the key tests within the Assessment Framework to their Plan.
- 3.26 It is expected that the Business/Strategic Plans will include a resource plan and performance indicators and targets, thereby demonstrating the link between activity, funding and delivery/impact.
- 3.27 Whilst not forming part of the formal third party assessment, the provision of output (core products and services and sector specific solutions) outcome and impact information will help the UK Commission to understand the realistic contribution each SSC is able to deliver in meeting the UK ambitions for skills

investment, both directly and through partnership arrangements in each part of the UK. These outputs and outcomes will form the basis for subsequent contracting with each relicensed SSC.

- 3.28 The presentation of any further supporting evidence will be agreed at the planning meeting but SSCs are encouraged, where possible, to reference this rather than including in the submission to the UK Commission.

#### **Stage 4 – Third party assessment of all the evidence**

- 3.29 To ensure rigour and complete impartiality and to bring the highest standards of professionalism to the process, the evidence provided by each SSC will be assessed by a team of third party assessors who will be specifically trained to judge the effectiveness of SSCs.
- 3.30 The planning meeting will have agreed the nature and timing of the third party assessment process including the range of evidence to be collected either by the SSC or the UK Commission.

### 3. Relicensing Process

3.31 Time will be spent by the independent assessors on reviewing the agreed written evidence and performance information prior to undertaking a site visit to the SSC. The team will spend up to 3 days with the SSC interviewing managers and staff together with the Chair and a range of Board members and a further 2 days consulting with employers and stakeholders. Assessors will provide immediate feedback to the Chair and Chief Executive at the end of the three day assessment and will be available for a further presentation of findings to the SSC Board.

3.32 At the end of the assessment period the third party assessment team will present its findings to the UK Commission.

3.33 Where it is necessary to return to the SSC for further action/evidence, such remedial action will only take place **once** in the process. There will be no further opportunities to address weaknesses in either the proposal or the evidence.

#### **Stage 5 – Report to UK Commission, and SSC meeting with UK Commission**

3.34 The third party assessors will write a detailed report to be considered by the UK Commission. The UK Commission will review the report and will at this point invite the SSC Chairman and Chief Executive to

a Panel discussion with Commissioners to discuss the findings. This will provide one further opportunity for the SSC to make the case for relicensing and to clarify issues.

3.35 Following any final clarification on the full proposal, the UK Commission will at this point formally provide the UK Government and the devolved administrations with their final recommendation and inform the Chair and Chief Executive of the SSC.

3.36 There will be 28 days in which an SSC may lodge a formal appeal against the UK Commission recommendation. After this period has expired Government will write formally to the Chair of the SSC informing them whether Ministers have decided to award a licence unless an appeal has been lodged.

3.37 If the recommendation is to withdraw the licence of the SSC, the UK Commission will seek an immediate meeting with the Chair, Board and Chief Executive of the SSC to prepare an action plan. The plan is likely to constitute three options for the SSC and the sector. The SSC Board will be asked to work with the UK Commission to:

- Repurpose the SSC – make significant changes where appropriate to the governance, leadership and structure of the existing organisation;
- Merge with another SSC – assess other SSC footprints to identify synergies and merger opportunities, potential organisational models and implement structural consolidation;
- Invite and develop appropriate non – SSC bodies in the sector to take on the SSC role and thus licence.

### Appeals Procedure

- 3.38 The UK Commission will accept formal appeals from the SSC on the following basis:
- Appeals must be submitted within 28 days of receipt of the formal recommendation by the UK Commission to the UK Government and the devolved administrations.
  - Appeals must be fully ratified by the Chair and Board of the SSC;
  - Appeals against the process or the handling of the process by either the third party assessors or the UK Commission executive or the recommendation to the UK Government and devolved administrations to withdraw the licence will be accepted;
  - Appeals against the final decision once made by the UK Government and the devolved administrations to remove a licence will not be accepted.

## 3. Relicensing Process

- 3.39 All appeals will need to formally submitted to the Chair of the UK Commission.

### Next Steps

- 3.40 SSC Chairs are now invited to put forward an Expression of Interest using the guidance in this document and the template at Appendix 2 to the UK Commission by **15 August 2008** to set out the current state of readiness of the SSC. The UK Commission will then make contact with the SSC to agree a date for the planning meeting.
- 3.41 The Expression of Interest should be sent to the Chair of the UK Commission at the following address:
- UK Commission for Employment and Skills,  
3 Callflex Business Park,  
Wath upon Dearne  
South Yorkshire  
S63 7ER
- 3.42 A full timetable for the relicensing process is provided at Annex 3.

## 4. The Assessment Framework

- 4.1 The framework and assessment criteria set out in the following pages are the basis on which the final decisions on relicensing will be made by Ministers in the four nations taking account of advice from the UK Commission. It will be used by the third party assessors to scrutinise the full proposal submitted by the SSCs and the supporting evidence including visits to the SSC and consultation with employers and stakeholders.
- 4.2 The purpose of the Assessment Framework is to directly assess the capacity and capability of the SSC to deliver on the core remit through:
- a well run SSC;
  - the ability of the SSC to deliver core products and services i.e. LMI, NOS and Qualifications;
  - the ability of the SSC to deliver sector specific solutions based on employer demand;
  - the ability of the SSC to build partnerships with stakeholders across the broader UK skills system to deliver real results and impacts for employers.
- 4.3 The Assessment Framework will also be used to assess the added value that can be obtained from relicensing a particular SSC and will be particularly concerned with assessing the coherence, impact and stretch of the SSC proposal.
- 4.4 Figure 2 (on page 26) shows the master Assessment Framework including:
- the key relicensing tests for each of the 4 themes of the framework which will be used by independent assessors to scrutinise the full SSC proposal and all supporting evidence in order that they may prepare their report;
  - assessment questions which will be used by the Third Party assessors to further explore the evidence;
  - key sources of evidence i.e. evidence that will form the basis of SSC submission;
  - other possible sources evidence i.e. evidence that where necessary will be used to supplement and support the key source of evidence.
- 4.5 Each proposition submitted will be assessed in the context of the ability of the SSC to deliver effectively each of the components of the assessment framework in each of the four nations.

## 5.The Scoring Framework

### Criteria and scoring

- 5.1 Each SSC will be awarded one of the following overall grades on completion of the assessment process:

#### Standard for each theme and key tests

|         |                        |
|---------|------------------------|
| Grade 1 | Outstanding            |
| Grade 2 | Good                   |
| Grade 3 | Satisfactory           |
| Grade 4 | Does not meet standard |

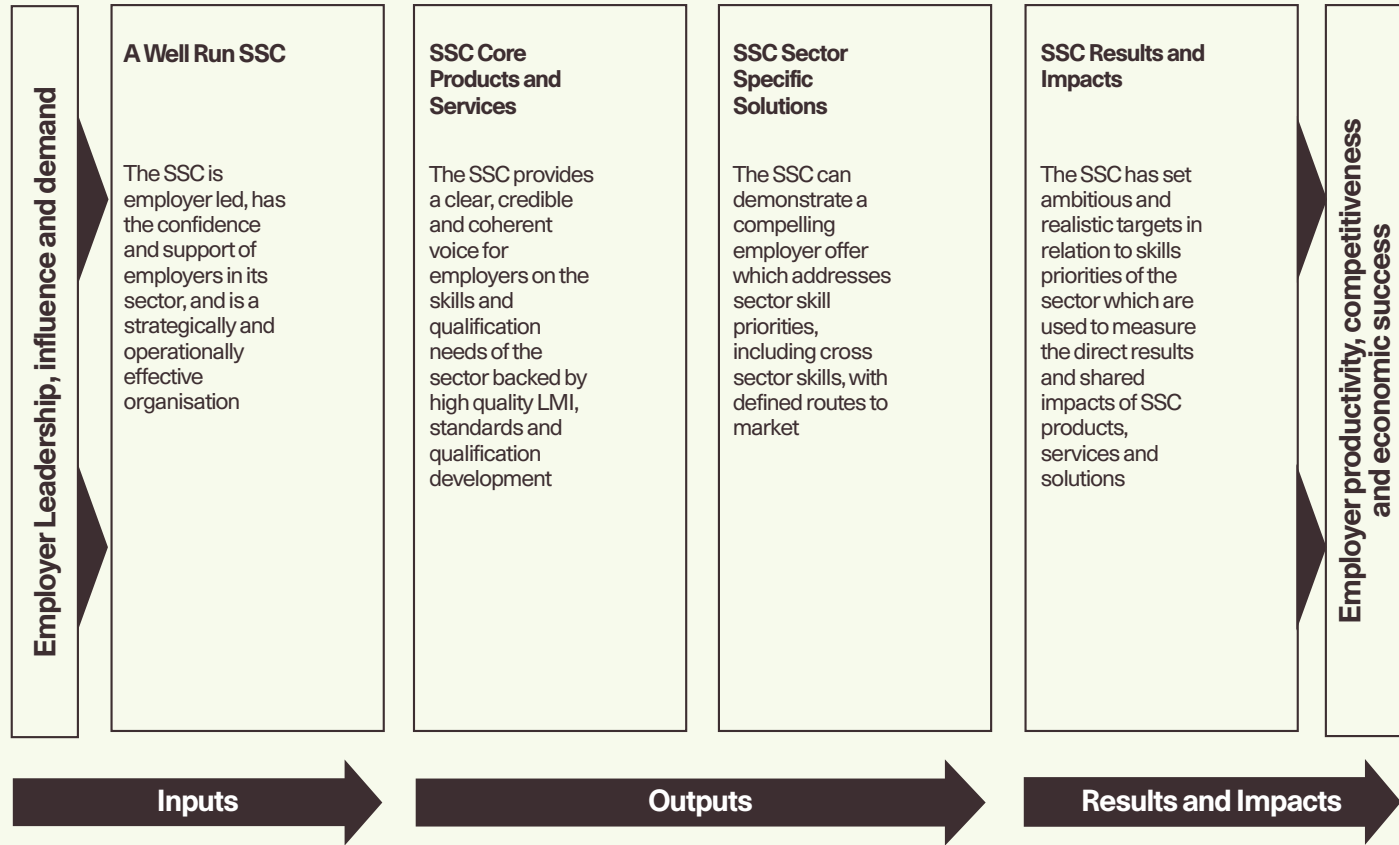
- 5.2 The overall grade will be determined by the following method:
- Each key test within the **four key themes** in the relicensing Assessment Framework (i.e. a well run SSC, SSC core products and services, SSC sector specific solutions and SSC results and impacts) will be scored using the grading structure above;
  - Each theme will then be given a total score by drawing on all the evidence from each key test;
  - The final overall score for each SSC will be determined by evaluating the evidence across each category;
  - **To be relicensed the SSC must receive a minimum of satisfactory for each of the four themes.**

## 5. The Scoring Framework

- 5.3 The assessment process and scoring decisions will be based on an overall judgement of the SSC proposition and evidence including that from the four nations, taking into account the level of maturity, degree of challenge in the sector and rate of progress to date. This is particularly the case in assessing the SSC in relation to theme 4 SSC Results and Impacts.
- 5.4 In order that the third party assessment arrangements can be further developed, additional guidance on the scoring methodology and its application will be provided in due course.
- 5.5 SSCs can expect that the overall narrative report and scores will be in the public domain.

# The Relicensing Assessment Framework

Figure 2



## A Well Run SSC

**The SSC is employer led, has the confidence and support of employers in its sector, and is a strategically and operationally effective organisation**

### Key Tests

- The SSC can demonstrate that it has the confidence and support of employers in its sector.
- The SSC's Governance structure is employer led, is representative of the diverse nature of the sector and of the UK wide context.
- The SSC must demonstrate a robust strategic and business planning process which is driven by employers, grounded in the skills needs of the sector and connects to sector and geographic economic development policies
- The SSC demonstrates visible, powerful and effective leadership and management across nations and regions and is committed to continuous improvement of its capacity and capability.
- The SSC is driven by a clear understanding of its customer/employer base including stakeholders and has robust and fit for purpose systems for measuring customer/employer and staff satisfaction.
- The SSC can demonstrate strategic influence and has developed systems and structures across the four nations and regions which maximise strategic influence and reach.

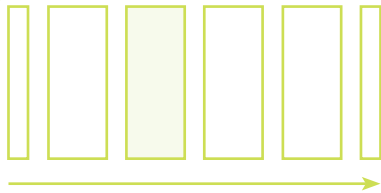
### Key Assessment Questions

- Does the strategy/business plan of the SSC demonstrate employer and stakeholder 'buy in'?
- Has the SSC developed an action plan for each nation?
- Are there clear operational plans in place to drive delivery including projects, finance and HR and to assess risk?
- Does the SSC continually assess and take action to develop the organisations capacity and capability including its leadership?
- Do stakeholders employers and staff have confidence in the leadership of the organisation?
- How does the SSC governance model address sectoral complexity and employer and stakeholder representation including stakeholders, unions and learners?
- Does the Chair and Board provide strategic vision, set direction, challenge the SSC/CEO and hold it to account?
- How does the SSC measure customer and staff satisfaction and how are complaints or issues of concern handled?
- Does the SSC understand the sectors capability to deliver strategic influence and are there systems and structures which maximise strategic influence?
- How does the SSC maximise employers understanding of public drivers across the four nations?
- How does the SSC work with other SSCs to achieve reach and influence eg Alliance?
- What evidence is there to demonstrate successful influence with governments and stakeholders?
- Can the SSC demonstrate that it has successfully influenced policy across the four nations?
- Does the SSC have a transparent management structure to avoid conflicts of interest?

### Sources of Evidence

- Key Sources of Evidence**
- Strategic Plan
  - Business Plan
- Other possible sources of evidence**
- Memo and Arts
  - Board Constitution
  - Board minutes and attendance
  - Audit and Remuneration minutes
  - Board Development Plans
  - Operational Plans
  - National and Regional Plans
  - Sector Skills Agreement
  - LMI
  - SQRP Strategy
  - Performance Records – organisational, financial, HR,
  - Capacity and capability reviews
  - Interviews with employers, stakeholders, senior management, staff, Board and Chair
  - Evidence of consultation with employers and stakeholders eg forum, groupings
  - Membership of the Alliance
  - Policy on Conflicts of Interest
  - Customer and staff Satisfaction surveys
  - Complaints procedures

## SSC Core Products and Services



**The SSC provides a clear, credible and coherent voice for employers on the skills and qualification needs of the sector backed by high quality LMI, standards and qualification development**

### Key Tests

#### LMI

- Collection and analysis of sectoral LMI is carried to a high technical standard and draws on consistent data that allows comparisons to be made between sectors.
- Skills and labour market assessments are thorough, rigorous, based on up to date information, and provided annually to the four nations
- The SSC clearly identifies the key skills priorities & pressures for the sector including cross sector, drawing on a solid evidence base and reflecting the needs of employers.
- The SSC takes a strategic approach to research that fits closely with the SSC's business plan and links to broader government aims and priorities at a national and regional level.
- Research outputs are published and made accessible

#### Qualifications/Standards/Apprenticeships/ Diplomas

- The SQS is underpinned by employer demand, secures qualifications which have economic value for employers and commands widespread support from stakeholders
- The SQS aligns to public policy in the four nations and links to the SSC strategic plan
- The SSC has high quality, up to date standards and apprenticeship frameworks in place for all key occupations in the sector backed by robust evidence from employers
- The SSC has developed the capacity, capability and competence to deliver high quality standards and qualifications
- The SSC has an effective quality assurance system for standards, qualifications and apprenticeships

### Key Assessment Questions

- Is the SSC's research of a high technical standard, employ transparent methodologies and does it draw on consistent data sources (such as national statistics) that allow for comparisons to be made with other sectors?
- Has the SSC produced a thorough assessment of the skills and productivity issues in their sector, and is this assessment up to date?
- Has the SSC set out clear skills and productivity priorities for their sector based on research evidence?
- Are these skills and productivity priorities appropriately tailored to the needs of nations and regions?
- Does the SSC have a research strategy and is the research strategy linked to the SSC's business plan, taking into account government aims and priorities at a national and regional level?
- Does the SSC make its research outputs accessible and attractive to a variety of users?
- How does the SSC ensure your qualification/standards plan aligns with public policy in the four nations?
- How does the SSC ensure that there is the capacity and capability within the organisation to deliver high quality standards and qualifications related work?
- What measures is the SSC taking to grow standards and qualifications capacity and capability internally?
- What processes has the SSC put in place to quality assure qualification related and standards delivery?
- How can the SSC demonstrate employer valued qualifications are being developed?
- How does the SSC ensure standards and apprenticeships developed are technically of a high standard and faithfully represent employer need?

### Sources of Evidence

#### Key sources of evidence

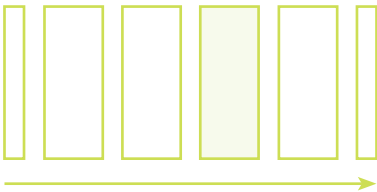
- Strategic Plan
- Business Plan
- SQRP Strategy including SQS and NOS plan
- Sector Skills Agreement
- LMI/Market Assessments
- Research Strategy

#### Other possible sources of evidence

- Organisational Structures
- HR Development Plans and resource plans
- Employer Engagement Strategies
- Quality Strategies
- Performance records – internal and external
- Take up statistics for qualifications, apprenticeships and diplomas
- Use of Labour Force Surveys/Four nation Government Surveys
- Use of International Research Data
- Stakeholder Surveys
- Use of SNAs
- SSC website material
- Interviews with senior management teams, staff, employers and stakeholders
- Research Communication Strategy
- Publications/Research Events
- Links to Government and stakeholder policies on a four nation basis

## SSC Sector Specific Solutions

**The SSC can demonstrate a compelling employer offer which addresses sector skill priorities, including cross sector skills, with defined routes to market**



### Key Tests

- The SSC has developed a range of sector specific solutions which add economic value for employers and address priority skills issues in the sector which are based on evidenced employer and learner need
- The SSC has identified and taken action to develop routes to market for sector specific solutions which meet scale, penetration and impact requirements of the sector
- The SSCs has an agreed delivery partners and stakeholders plan for each of the four nations which identifies their contribution as routes to market to achieve scale, penetration and impact
- The SSC has developed formal partnership arrangements with key stakeholders and delivery partners in the four nations which will achieve scale, penetration and impact for sector specific solutions
- The SSC is working with other SSCs and key stakeholders to address priority cross SSC issues and cross sector skill needs

### Key Assessment Questions

- Does the SSC have a range of skills and qualifications solutions which create a compelling offer for employers across the four nations?
- Does the employer offer address priority skills needs at all levels including where appropriate:
  - Sector attractiveness and entry to workforce
- Workforce development
- Higher skills
- Management and leadership and other cross sector skills
- How does the SSC work with other SSCs and stakeholders to deliver on priority cross SSC issues and cross sector skill needs?
- Has the SSC assessed and harnessed mainstream skills solutions and their delivery arrangements across the four nations?
- Does the SSC understand which national and regional stakeholders and delivery partners will achieve the optimum mutual impact?
- Does the SSC adopt different strategies/tactics for developing sector specific solutions for different types of employers eg large and small employers and for learners?
- How is the SSC making employers aware of and creating interest in sector specific solutions available?
- Has the SSC market tested the sector specific solutions to confirm need?

### Sources of Evidence

- Key Sources of evidence**
- Strategic Plan
  - Business Plan
  - Sector Skills Agreement
- Other Possible Sources of evidence**
- MOUs
  - Compact arrangements
  - NSA Business Plan
  - Partner and Stakeholder Delivery Plans
  - National and Regional Action Plans
  - Supply Side Policy
  - Market Assessments
  - Performance review records
  - Customer Satisfaction Surveys
  - Stakeholder and delivery partner mapping
  - Interviews with employers, stakeholders, senior management, staff, Board and Chair

SSC Results and Impacts

The SSC has set ambitious and realistic targets in relation to skills priorities of the sector which are used to measure the direct results and shared impacts of SSC products, services and solutions

Key Tests

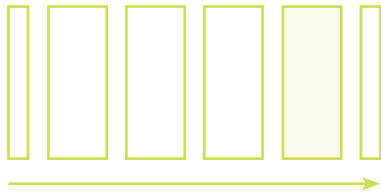
- The SSC has ambitious and realistic targets across the four nations for sector skills priorities which align with the SSC Performance and Evaluation Framework
- The SSC can demonstrate the value and contribution of skills to sectoral employer performance and uses key employer performance indicators.
- The SSC can demonstrate the contribution of its products, services and solutions to support wider economic development in the four nations
- The SSC can demonstrate the direct and indirect contribution made by its products, services and sector specific solutions in addressing employer skills priorities
- The SSC has a robust system for continually evaluating the direct and indirect impact of its solutions and activities on sector performance
- The SSC has annual action plans for the four nations

Key Assessment Questions

- What process does the SSC undertake to formulate targets for sector skills priorities?
- How does the SSC align its targets to the Performance and Evaluation Framework?
- What are the delivery ambitions of the SSC over the next 3 years?
- Who are the stakeholders who share the SSC's ambitions and targets?
- What objectives and targets are shared with the identified stakeholders?
- How will success be measured?
- How will improvements be made through customer and stakeholder feedback?
- How does the SSC align its research and analysis of need with the delivery of results and impact?
- How does the SSC interpret and present results at Board level and how is the Board involved in future actions relating to results?
- How are results shared with other sector employers and action agreed?
- Do the results lead to the development of individual action plans for each of the nations?

Sources of Evidence

- Key Sources of Evidence**
- Strategic Plan
  - Business Plan
  - Sector Skills Agreement
  - Proposed schedule of targets and impacts
- Other possible Sources of evidence**
- Market assessments
  - Sector Specific Workforce Data
  - Performance Review Records
  - Interviews with employers, stakeholders, senior management, staff, Board and Chair



# Annex 1. SSC Relicensing – Governments and national contexts

## Government and National Context

### Introduction

To enable the UK's economy to thrive and to compete globally, we must unlock the skills and talents of every individual. Government action alone cannot deliver the world class skills our workforce needs. We will only succeed if employers take greater responsibility for improving their employees' skills and if individuals take more responsibility for improving their own skills.

This Annex sets out key features of skills policy, priorities and structures in each of the four nations, which SSCs need to take into account.

### ENGLAND

Targets - The 2020 ambition for skills for England is for:

- 95% of adults to have the basic skills of functional literacy and numeracy;
- More than 90% of adults to have gained at least a level 2 qualification;
- To shift the balance from level 2 to level 3, with 1.3 million more people achieving level 3 by 2020;
- To deliver the ambition of 500k people a year on Apprenticeships;
- More than 40% of all adults to have a higher education qualification.

## Annex 1. SSC Relicensing – Governments and national contexts

### Strategic skills priorities

The Government is re-shaping the skills system in England to respond directly to demand from employers and individuals. A key aim is to ensure the skills system responds quickly and effectively to the longer term strategic skills priorities of industries and the economy, promoting innovation in products and services needed to compete effectively in the global marketplace and to deliver world class public services. Enhancing skills to help unemployed people find work and then progress in work is also a vital part of welfare reform and a key part of achieving a world class skilled workforce.

Priorities will include specific industry challenges (such as the adoption of new technologies and major new market opportunities), national priorities (such as sustainable development and the transition to a low carbon and resource efficient economy) and the delivery of strategic projects (such as the 2012 Olympic and Paralympic Games and the building and decommissioning of nuclear facilities). In supporting a demand-led system it is crucial that each SSC demonstrates a full understanding of the strategic drivers of medium and longer term demand in their sectors, as well as their contribution to wider strategic skills demand affecting other sectors. They will need to work collaboratively and communicate effectively the implications of these to employers, Government, skills providers and the labour market to inform skills investment decisions. This needs to include any skills gaps which inhibit innovation or may impact on the sector's future economic performance.

### **Skills Investment**

In England SSCs have the opportunity to lever in skills investment by encouraging employers to take the Skills Pledge, and by increasing awareness and opportunities to access Train to Gain support that reflects the needs of their sector. SSCs also have an important role to ensure Government skills support for those who are out of work meets the needs of employers. The Government is encouraging Train to Gain compacts with SSCs which will help ensure that the service is strongly focussed on the strategic skills needs identified by SSCs. Across the UK SSCs have a key role in promoting excellence in skills, and have made good progress in establishing National Skills Academies. In 2011 the UK hosts Worldskills. SSCs can also make a positive contribution by promoting and supporting skills competitions to help ensure that the UK have a team capable of competing with the best in the world in each of the skill categories. The publication of the High Level Skills Strategy *Higher Education at Work* offers SSCs opportunities to influence supply and incentivise demand for high level skills in their sectors. In particular, the strategy suggests a stronger role for SSCs in working with and advising HEFCE on high level skill needs and as co-purchasers of provision.

### **Information, Advice and Guidance**

The introduction of Diplomas and the wider 14-19 reforms have highlighted the importance of information, advice and guidance to young people. SSCs have a role in supporting this provision by preparing up-to-date and accurate labour information.

#### **14 - 19**

SSCs work through Diploma Development Partnerships to support the development, delivery and evaluation of 14 -19 Diplomas. Convening SSCs are responsible for working with other SSCs and key partners to develop and secure delivery of an agreed work package on an annual basis. SSCs also secure employer engagement in Diplomas.

We want SSCs to develop specific strands on the skills and qualifications required by young people (14 -19) as part of their sector qualification strategies and expect SSCs to draw on this and the under pinning evidence to inform the decision making process on public funding of qualifications.

### **Foundation Learning Tier**

SSCs will need to work with QCA and Awarding Bodies to identify and approve the transfer of qualifications (including those at Entry and Level 1) from the NQF onto the QCF by 2010.

### **Approval of qualifications**

The SSC 'approval' process for qualifications is under development in England, Wales and Northern Ireland. In England, SSC 'approval' of VQs is a fundamental change because they will now become responsible for the primary decision about whether or not a VQ should be submitted to be accredited and therefore be eligible for public funding.

### **Apprenticeships**

SSCs will approve plans for Apprenticeship frameworks that meet a centrally-agreed standard (a strengthened Blueprint), and are compatible with their strategic plans. SSCs will be expected to ensure frameworks are coherent and that they make approved plans accessible through their websites. Where there are gaps in provision, SSCs will develop and approve their own frameworks and the UK Commission will monitor SSC performance.

### **Quality**

SSCs have a key role in promoting government sponsored quality marks such as the Training Quality Standard and Framework for Excellence. This will include take up by employers of training from providers with good and outstanding Framework for Excellence scores.

## SCOTLAND

The Government Economic Strategy describes the Scottish Government's key purpose as focusing "government and public services on creating a more successful country, with opportunities for all of Scotland to flourish through increasing sustainable economic growth." The Strategy identifies 5 strategic priorities that are internationally recognised to be critical to deliver increasing sustainable economic growth: learning, skills and well-being, supportive business environment, infrastructure development and place, effective government, and equity.

*Skills for Scotland; a lifelong skills strategy* outlines the Scottish Government's vision for a smarter Scotland and a cohesive lifelong learning system centred on the individual and responsive to employer needs. It is based on three themes: individual development; economic pull; and cohesive structures. The underpinning principles of Scotland's skills strategy include:

- a lifelong approach to skills from early years through to workplace learning;
- the value of a sectoral approach to identifying and resolving skills needs and the role that SSCs play in this;
- the centrality of the Scottish Credit and Qualifications Framework (SCQF) in supporting skills progression throughout individuals progress.

Scotland has different skills needs from other parts of the UK. It also has its own education system and credit and qualifications framework. It is essential that SSCs properly understand these and reflect them in their approaches to fulfilling their core remit in Scotland. To be successful, SSCs need to engage effectively with the key partners in the education and training system in Scotland.

## Vocational Qualifications

While SSCs will not have a role in approving qualifications in Scotland, the Scottish Government wants SSCs to ensure that employers influence the design and development of qualifications at all levels. The Alliance of SSCs in Scotland has reached an agreement with Scotland's national awarding agency, the Scottish Qualifications Authority, to ensure that SSCs are involved in the process of designing all SQA qualifications.

### **Scottish Credit and Qualifications Framework**

The SCQF is Scotland's established credit and qualifications framework covering all of the main qualifications delivered in Scottish schools, colleges and universities. An increasing number of Scottish Vocational Qualifications and employers' in-house training are also now in the SCQF.

### **Apprenticeships in Scotland**

SSCs will be required to work with their employers to develop Modern Apprenticeship frameworks for external approval by the Modern Apprenticeship Group, and to promote Modern Apprenticeships to their employers.

### **Skills Development Scotland**

Skills Development Scotland was launched in April 2008 to bring a better focus to skills development. It will play a key role in driving forward the Scottish Government's strategic priority on learning, skills and well-being. Bringing together Careers Scotland, the Scottish University for Industry and the key skills functions of Scotland's Enterprise networks, it combines information, advice and guidance for careers and learning with important elements of training provision. The Chair of Skills Development Scotland is also Scotland's Commissioner on the UK Commission for Employment and Skills.

## WALES

The key context for Wales is set out in *Skills that Work for Wales, A Skills and Employment Strategy*. The Welsh Assembly Government's Skills and Employment Strategy was published for consultation in January 2008. The Strategy will be published in mid July 2008 and SSCs should refer to this document as the Strategy will have a significant role to play in delivering the *One Wales* vision of a strong and enterprising economy with full employment based on quality jobs.

There is a strong sector focus in Wales. *Skills that Work for Wales, A Skills and Employment Strategy* places a strong emphasis on meeting both individual employer demand for skills and a focus on a sectoral approach to meeting the demands of the employed workforce. A holistic sector strategy will be developed for key sectors in Wales, incorporating innovation and technology change drivers, and articulating the necessary skills interventions required to meet current and future needs.

Key principles and themes set out in *Skills that Work for Wales, A Skills and Employment Strategy* may include:

- Integration: skills, employment and business development are seen as being inextricably linked. The Welsh Assembly Government will work with its partners to deliver flexible, joined-up skills, business support and employment programmes, providing integrated services focused on the customer.

- Responsiveness: The Welsh Assembly Government will be responsive to the unique needs of its customers. Being responsive means giving customer's real influence over programmes, funding and delivery. Customers are employers, learners and communities across Wales.
- Shared responsibilities: To deliver a radical improvement in Wales' skills, the Welsh Assembly Government, individuals and employers must all increase their investment in learning. Public funding should support priority skills needs, especially ensuring that everybody is equipped with the basic platform of skills necessary for employment and participation in community life. Individuals and employers should contribute to the costs of learning where they derive the biggest benefits.
- Quality: The Welsh Assembly Government will only fund post-16 providers who deliver high-quality education and training that meets the needs of employers, learners and communities.
- Equality of opportunity: equality of opportunity and Welsh language skills are cross-cutting themes integral to the skills and employment strategy. It is expected that partners, providers and stakeholders recognise this principle. This strategy will contribute to the Welsh Assembly Government's Mainstreaming Equality Strategy<sup>3</sup> and the vision of achieving a truly bilingual Wales outlined in *Iaith Pawb*.

To support the delivery of these guiding principles it is proposed to develop a strong network of SSCs, working closely with employer bodies to strengthen the employer voice in decisions on skills provision. In Wales, SSCs will be expected to focus on:

- increasing demonstrably employer engagement, demand and investment in skills
- undertaking national analyses of sectoral labour market and skills needs and demands
- informing the development of new vocational qualifications, to ensure that they meet the needs of business; utilising credit as an integral element and forming part of the Credit and Qualifications Framework for Wales (CQFW)

This revised remit reflects the approach that may be required by SSC in meeting the UK core remit in Wales.

### **14-19 Agenda in Wales**

The Welsh Baccalaureate will contain diploma qualifications, and Lead SSCs, through Diploma Development Partnerships will support the development through awarding bodies of these qualifications.

### **Wales Employment and Skills Board**

The Welsh Assembly Government has established the Wales Employment and Skills Board to provide advice to Welsh Ministers on all issues to do with skills, employment and related business support including focusing on demand led approaches. The Chair is a member of the UK Commission. The Board's duties include the consideration of the role and performance of SSCs in Wales including progression and implementation of Sector Skills agreements with a view to Welsh Ministers at UK Commission as to identifying any action necessary to improve performance.

## NORTHERN IRELAND

The key context for Northern Ireland is laid out in *Success Through Skills The Skills Strategy for Northern Ireland: A Programme for Implementation* published in February 2006. Key factors include:

- **Essential Skills:** the foundation of literacy, numeracy and ICT skills within the NI workforce is one of the most significant areas for improvement. The SSCs should support this work;
- **Workforce Skills:** a need exists, in conjunction with employers and the SSCs, to assist and support the upskilling of employees. We are investigating a range of options such as a Level 2 entitlement and an increase in the numbers of apprenticeships and the introduction of all-age apprenticeships as a mechanism to upskill existing employees;
- **Vocational Training Programme:** we have embarked on a major project to reconfigure training for young people. The overall aim of this review is to improve the relevance and coherence of education and training to meet the needs of young people and employers, and to form one strand of 14-19 years provision. The SSCs have an important part to play in articulating the demands of employers;

- **Careers:** the SSCs are key stakeholders in the development of an all-age careers education, information, advice and guidance strategy;
- **Management and Leadership skills:** the development and delivery of a management and leadership strategy for NI is a key priority and the SSCs are a key stakeholder in this;
- **Role of the UK Commission:** it is envisaged that once appointed the NI Employment and Skills Advisor will represent NI on the UK Commission, sit on the Executive SSC performance monitoring side of the UK Commission and will advise the DEL Minister in relation to skills needs in NI.

Following on from the publication of *Success Through Skills*, the Department for Employment and Learning (DEL) published the **Northern Ireland Skills Statement in March 2008. This document is available on the DEL website.**

## Annex 2. Expression of Interest Template

**SSC Name**

**Chair**

**Chief Executive**

**Summarise the main achievements of the SSC since original licensing**

**Describe the work to be undertaken in preparation for relicensing**

**Please provide a definition of the sector including SIC codes covered solely by the SSC and those with a shared interest with other SSCs**

**Provide a short description of key sector drivers and priorities**

**Please detail any recent or planned changes in the sector footprint**

**Describe any recent or planned changes in organisational structure**

**Date SSC wishes to submit its full portfolio of evidence and be assessed**

**Describe the current Board composition and any planned changes**

**Describe the high level commitment to meeting the distinct needs of the four nation**

## Annex 3. Timetable of The Relicensing Process

**All dates below, except those relating to submission and review of the Expression of Interest, are indicative. Individual SSC timetables will be agreed at the planning meeting.**

|   |                 |  |                 |
|---|-----------------|--|-----------------|
| • Submit Expression of Interest         | Aug 08          | • Third Party Assessor Report submitted to UKCES | Oct 08 – Oct 09 |
| • Expressions of Interest reviewed      | Aug 08          | • UK Commission Panel meet SSC                   | Oct 08 – Nov 09 |
| • Planning meeting with SSC             | Sep 08 – Apr 09 | • UKCES Panel meet SSC                           | Oct 08 – Nov 09 |
| • SSC submits full proposal             | Sep 08 – Jun 09 | • Recommendation to Govt/DAs                     | Nov 08 – Nov 09 |
| • Third party assessors assess evidence | Sep 08 – Sep 09 | • SSCs Relicensed                                | Dec 08 – Dec 09 |

# Your Sector Skills Councils

## **Asset Skills**

**[www.assetskills.org](http://www.assetskills.org)**

Property, facilities management, housing and cleaning sectors

## **Automotive Skills/Institute of the Motor Industry (IMI)**

**[www.motor.org.uk](http://www.motor.org.uk)**

The retail motor industry

## **Cogent**

**[www.cogent-ssc.com](http://www.cogent-ssc.com)**

Chemical & pharmaceutical, oil, gas, nuclear, petroleum and polymers

## **ConstructionSkills**

**[www.cskills.org](http://www.cskills.org)**

Construction

## **Creative & Cultural Skills**

**[www.ccskills.org.uk](http://www.ccskills.org.uk)**

Advertising, crafts, music, performing, heritage, design and arts sectors

## **Energy & Utility Skills**

**[www.euskills.co.uk](http://www.euskills.co.uk)**

Electricity, waste and utilities sectors

## **e-skills UK**

**[www.e-skills.com](http://www.e-skills.com)**

Information technology and telecoms sector and contact centres

## **Financial Services Skills Council**

**[www.fssc.org.uk](http://www.fssc.org.uk)**

Financial services, insurance and accounting

## **GoSkills**

**[www.goskills.org](http://www.goskills.org)**

Passenger transport

## **Government Skills**

**[www.government-skills.gov.uk](http://www.government-skills.gov.uk)**

Central Government

## **Improve**

**[www.improvetd.co.uk](http://www.improvetd.co.uk)**

Food and drink manufacturing and processing

## **Lantra**

**[www.lantra.co.uk](http://www.lantra.co.uk)**

Environmental and land-based sector

## **Lifelong Learning UK**

**[www.lluk.org](http://www.lluk.org)**

Community learning, education, further education, higher education, libraries, work-based learning, training providers

## **People 1st**

**[www.people1st.co.uk](http://www.people1st.co.uk)**

Hospitality, leisure, travel and tourism sector

## **Proskills UK**

**[www.proskills.co.uk](http://www.proskills.co.uk)**

Building products, coatings, mineral processing, extractives, glass and print sectors

## **SEMTA**

**[www.semta.org.uk](http://www.semta.org.uk)**

Science, engineering and manufacturing technologies sectors

## **SkillsActive**

**[www.skillsactive.com](http://www.skillsactive.com)**

Sport and recreation, health and fitness, outdoors, playwork and caravanning industry

## **Skillfast-UK**

**[www.skillfast-uk.org](http://www.skillfast-uk.org)**

Fashion and textiles

## **Skills for Care & Development**

**[www.skillsforcareanddevelopment.org.uk](http://www.skillsforcareanddevelopment.org.uk)**

Social care, children, early years and young people's workforces in the UK

## **Skills for Health**

**[www.skillsforhealth.org.uk](http://www.skillsforhealth.org.uk)**

UK health sector

## **Skills for Justice**

**[www.skillsforjustice.com](http://www.skillsforjustice.com)**

Policing and law enforcement, youth justice, custodial care, community justice, courts service, prosecution services and forensic science

## **Skills for Logistics**

**[www.skillsforlogistics.org](http://www.skillsforlogistics.org)**

Freight logistics and wholesaling industry

## **Skillset**

**[www.skillset.org](http://www.skillset.org)**

Broadcasting, photo imaging, audio visual and publishing sector

## **Skillsmart Retail Ltd**

**[www.skillsmartretail.com](http://www.skillsmartretail.com)**

Retail sector

## **SummitSkills**

**[www.summitskills.org.uk](http://www.summitskills.org.uk)**

Building services engineering sector

**Wath Office:**  
**UKCES**  
3 Callflex Business Park  
Golden Smithies Lane  
Wath-upon-Deerne  
Yorkshire S63 7ER  
T: +44 (0)1709 774800  
F: +44 (0)1709 774801

**London Office:**  
**UKCES**  
28-30 Grosvenor Gardens  
London SW1W 0TT  
T: +44 (0)20 7259 1281  
F: +44 (0)20 7259 1290